

Message Text

UNCLASSIFIED

PAGE 01 JAKART 04706 190548Z

20

ACTION OPIC-12

INFO OCT-01 EA-11 ISO-00 EB-11 AID-20 TRSE-00 L-03 COME-00

XMB-07 FRB-02 CIAE-00 INR-10 NSAE-00 /077 W

----- 115376

R 190233Z APR 74

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 1841

UNCLAS JAKARTA 4706

FOR OPIC

E.O. 11652: N/A

TAGS: EFIN

SUBJ: STAMP TAX ON FOREIGN LOANS

REF: STATE 61119

1. EMBASSY REPS. WHO HAVE CONTINUING RELATIONSHIP WITH DIRECTOR GENERAL OF TAXATION MADE INQUIRIES IN RESPONSE TO REFTEL AND WERE ADVISED AS FOLLOWS: A. AN INDONESIAN LAW DATING FROM 1921 REQUIRES IMPOSITION OF A STAMP TAX ON FOREIGN LOANS, BUT HAS BEEN EXEMPTED OR EXCEPTED IN RECENT YEARS. B. AN INTERNAL GOI MEETING WAS HELD IN DECEMBER, 1973 AT WHICH DISAGREEMENT ON COURSE OF ACTION TO BE FOLLOWED WAS EXPRESSED WITH MINISTRY OF FINANCE APPARENTLY PUSHING FOR STRICT OBSERVANCE OF THE 1921 LAW AND BAPPENAS TAKING MORE LIBERAL VIEW. MEETING CULMINATED IN DECISION THAT STAMP TAX WOULD BE IMPOSED. C. DETAILS STILL BEING WORKED OUT AND NOT YET AVAILABLE WITH EXCEPTION OF ONE DECISION THAT PAST LOANS WOULD ALSO BE TAXED AND THAT TAX ON SUCH PAST YEARS COULD

BE PAID ON INSTALLMENT BASIS WHILE TAX ON NEW LOANS WOULD HAVE TO BE PAID ON A CURRENT BASIS.

2. NO OTHER IMPLEMENTATION DETAILS OR DATE FOR OFFICIAL PROMULGATION OF THE NEW POLICY ARE AVAILABLE.

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3. MISSION WILL FOLLOW SITUATION AND COMMUNICATE ANY
NEWS TO OPIC. IN MEANTIME, SUGGEST OPIC CONTINUE TO
OBTAIN ANY INFORMATION IT CAN FROM MKK AND GAUTAMA.
NEWSOM

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, TAX LAW, LOANS, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974JAKART04706
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740091-0478
From: JAKARTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740430/aaaabaho.tel
Line Count: 65
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: STATE 61119
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 10 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 SEP 2002 by BryanSD>; APPROVED <02 JAN 2003 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: STAMP TAX ON FOREIGN LOANS
TAGS: EFIN, ID
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Type: TE
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